

# City-Owned Historic Resource Management Action Plan

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**Recommendation:**

That the November 29, 2017, Urban Form and Corporate Strategic Development report CR\_4753, be received for information.

**Executive Summary**

The City currently owns a total of 65 historic resources, including 23 that are legally-protected designated Municipal Historic Resources. The approach outlined in this report will enable the creative, effective and financially-prudent asset management of existing and potential future City-owned historic resources, aligned with a City-wide Infrastructure Strategy currently under development by Integrated Infrastructure Services.

**Report****Background**

The City of Edmonton strives to be a leader in the preservation and management of historic resources, including the retention and adaptive re-use of historic assets it owns. The conservation of historic resources is acknowledged in a broad range of City initiatives, including Downtown and mature neighbourhood revitalization, sustainability practices, and the creation of complete communities.

A comprehensive approach to ensure consistent and effective preservation and ongoing management of City-owned historic resources is needed. This includes those designated as legally-protected Municipal Historic Resources, and those listed on the Inventory of Historic Resources in Edmonton. Since April 2016, the City has demolished three historic buildings listed on the Inventory: the Mitchell and Reed Auction House (in the Quarters); Hangar 8 (Blatchford); and a house in Oliver (11206 - 100 Avenue NW - demolished in part due to significant damage to the building as a result of a fire). Other City-owned historic resources are in varying levels of condition, with some in immediate need of proper preservation while others are in fair to good condition.

Issues related to demolitions and condition for certain City-owned historic resources led to concerns raised in the community, by heritage advocacy groups and by City Council, about how the City manages and protects the historic assets it owns.

In April 2016, Administration presented City Council with information on the historic resources the City owns, the condition of these assets, and how Administration budgets for rehabilitation. The City currently owns a total of 65 historic resources, including 23 that are legally-protected designated Municipal Historic Resources, and 42 that are listed on the Inventory (Attachment 1).

At that time, Administration also committed to preparing a City-Owned Historic Resource Management Action Plan, which would align condition assessment rating with priority needs and budget availability, informing funding needs for the 2019-2022 capital budget. To properly preserve and manage Edmonton's current and potential future historic resource assets, which have complex maintenance and adaptive re-use considerations, Administration has determined that a more comprehensive approach is needed, beyond addressing assessment ratings and immediate priorities. In addition, Integrated Infrastructure Services is developing a City-wide Infrastructure Strategy that will review all City-owned facilities to achieve an improved approach towards asset management and defined levels of service. The opportunity exists to identify key level of service considerations and preservation/programming objectives for existing assets, as well as outlining a strategy the City will utilize in making property acquisition and leasing decisions in the future for historic resources.

Administration has researched and collected information on the existing City-owned historic resources to identify priority buildings in need of immediate rehabilitation. At present, rehabilitation projects on several historic buildings owned by the City are in varying phases of delivery and project planning, including the Prince of Wales Armouries, Yorath House (Buena Vista Park), three designated houses on 112 Street in Oliver, the Queen Elizabeth II Planetarium, the Hudson's Bay Co. Stables/Ortona Armouries, Hangar #14 (Alberta Aviation Museum) and Keillor Cabin (Whitemud Equine Park).

### **Proposed Approach**

Administration proposes that an initial visioning exercise related to the City's direct role in historic resources it owns be undertaken. This will provide perspectives on the City's role as an owner and steward of existing historic resources, and will provide direction on potential acquisition and disposition of historic resources in the future. It will also explore considerations related to highest and best use and leasing for historic assets the City owns. This exercise will engage internal stakeholders in various Departments who have a role in fulfilling appropriate standards in the preservation of these assets. The exercise will also engage external/community stakeholders who focus on built heritage, such as the Edmonton Historical Board and the Edmonton Heritage Council, and may include other stakeholders, such as building lessees and the development industry. Administration will provide a summary report to City Council including a process to ensure that any surplus and disposition of City-owned historic assets aligns with Council's expectations for the preservation and management of historic resources.

The perspectives and recommendations obtained through this engagement will be used to directly inform and align with the City-wide Infrastructure Strategy being developed by Integrated Infrastructure Services. This will ensure that asset management plans developed for facility assets will appropriately address the unique nature of those that are historic resources, and reflect Council's expectations surrounding the objectives and outputs for City-owned historical assets.

This integrated process will address condition assessments of City-owned historic resources with priority needs and budget availability, but more importantly, will develop a robust management strategy that will holistically consider City-owned historic resources in the long term, and the requirements for creative, effective and financially-prudent asset management. It will enable the City to act as a leader in historic resource preservation, setting an example for other jurisdictions, as well as for private owners of historic assets throughout Edmonton and the surrounding region.

### **Budget/Financial Implications**

At present, Administration identifies priority capital rehabilitation projects for City-owned historic resources based on asset condition within the overall City-owned Facility portfolio, as well as the aligned use of the facilities that offer active public service and programming irrespective of their designation or historical significance.

Ongoing maintenance of City-owned historic resources is generally the responsibility of the applicable Department, and in some cases the responsibility of a tenant. Experience indicates that existing funding allocated for the maintenance required for historic resources can at times be inadequate to maintain the structure in accordance with proper historic management standards.

The overall Infrastructure Strategy will support a comprehensive approach to the ongoing maintenance (operating), rehabilitation (capital) and acquisition/disposition (real estate) of City-owned historic resources. It is anticipated that this strategy will need to align with the development of the upcoming 2019-22 Operating and Capital Budget cycles should there be any additional resources required to achieve the objectives outlined in the strategy.

### **Legal Implications**

Designation of a Municipal Historic Resource allows for its continued preservation under Section 26 of the *Historical Resources Act*. In addition, at the time of designation, the City enters into a legal agreement with the owner (including the City as owner) to maintain the historic resource under Section 29 of the *Historical Resources Act*. Both the designation bylaw and the covenant to maintain are registered against the title to the property, and the relevant obligations are assumed by any future owner.

**Policy**

*The Way We Grow*; Edmonton’s Municipal Development Plan:

Section 5.8.1: Encourage a sense of local identity and and create connections to the city’s cultural and historic roots through the conservation and preservation of significant structures, buildings, districts, landscapes and archaeological resources.

Historic Resource Management Plan:

1. Heritage Policy 1 - Register and Inventory of Historic Resources in Edmonton: The City will develop and maintain a comprehensive document, the Register and Inventory of Historic Resources in Edmonton, that identifies all historic resources and areas in the city that are of architectural, social and cultural value.
2. Heritage Policy 11 - Stewardship of Historic Resources: The City will encourage the retention, restoration and designation of all of its own historic resources and advocate for its ad-hoc bodies, autonomous agencies and other public bodies to do the same.
3. Heritage Policy 12 - Demolition and Inappropriate Alterations: The City will place a high priority on preventing the demolition of historic resources and any inappropriate alterations.
4. Heritage Policy 20 - Maintenance: The City will continue to monitor and implement the maintenance process for its Municipal Historic Resources.

City Policy C450B - Policy to Encourage the Designation and Rehabilitation of Municipal Historic Resources in Edmonton

**Public Engagement**

Administration did not undertake public engagement in the development of the proposed approach to developing an action plan for City-owned historic resources as the project is in its preliminary stages. Future engagement with key stakeholder groups including the Edmonton Historical Board and the Edmonton Heritage Council will be undertaken.

**Corporate Outcomes and Performance Management**

<b>Corporate Outcome(s) Edmontonians are connected to the city in which they live, work and play.</b>			
<b>Outcome</b>	<b>Measure(s)</b>	<b>Result</b>	<b>Target</b>
<ul style="list-style-type: none"> <li>• Unique character and history of neighbourhoods is preserved</li> </ul>	<ul style="list-style-type: none"> <li>• Number of designated Municipal Historic Resources in Edmonton</li> </ul>	145	<ul style="list-style-type: none"> <li>• There is no target for the designation of historical resources</li> </ul>

<ul style="list-style-type: none"> <li>• Unique character and history of neighbourhoods is preserved</li> </ul>	<ul style="list-style-type: none"> <li>• Percentage of historic assets owned by the City are designated Municipal Historic Resources</li> </ul>	<ul style="list-style-type: none"> <li>• 23 of the 65 historic assets owned by the City are fully-protected designated Municipal Historic Resources - 35%</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of historic assets owned by the City are designated as Municipal Historic Resources</li> </ul>
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**Risk Assessment**

Risk Element	Risk Description	Likelihood	Impact	Risk Score (with current mitigations)	Current Mitigations	Potential Future Mitigations
Public Perception	Loss of City-owned historic resources results in poor public perception of the City's efforts to protect built heritage	4 Likely	3 Major	12 Medium	<ul style="list-style-type: none"> <li>• City currently tracks which buildings it owns-- either on the Inventory or as a designated Municipal Historic Resources</li> <li>• Priority funding and building condition assessments are completed for assets with critical issues on a priority basis</li> <li>• Buildings on the Inventory qualify for designation and can access grant funding from the Heritage Resources Reserve to assist in their rehabilitation</li> </ul>	<ul style="list-style-type: none"> <li>• Comprehensive approach to align corporate and public objectives of historic preservation with prudent fiscal management of City-owned historic resources</li> <li>• Proactive approach to designating City-owned buildings on the Inventory to set an example in preservation leadership</li> </ul>
Loss of Historic Resources	Lack of coordination to ensure preservation and maintenance of City-owned historic resources results in ongoing demolition of buildings	4 Likely	3 Major	12 Medium	<ul style="list-style-type: none"> <li>• City Council is notified when buildings on the Inventory are proposed to be demolished, including any City-owned historic resource</li> </ul>	<ul style="list-style-type: none"> <li>• Comprehensive approach to align corporate and public objectives of historic preservation with prudent fiscal management of City-owned historic resources</li> <li>• Proactive approach to</li> </ul>

						designating City-owned buildings on the Inventory to set an example in preservation leadership
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**Attachments**

1. City Historic Resource Assets Inventory
2. Summary of Proposed Approach to Identifying Considerations for City-owned Historic Resources

**Others Reviewing this Report**

- T. Burge, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services
- D. Jones, Deputy City Manager, City Operations
- C. Campbell, Deputy City Manager, Communications and Engagement